



# Hiding in Plain Sight

## Segmenting and Prospect Profiling

Sales Readiness Series



## Sales Readiness Series Hosts



**Dan Hudson**  
[3forward](#)  
**President, Co-Founder**  
Dan.Hudson@3forward.net



**Matt Smith**  
[3forward](#)  
**Exec VP, Co-Founder**  
Matt.Smith@3forward.net



# Sales Goals Have Not Changed

Increasing wins from new logo prospects

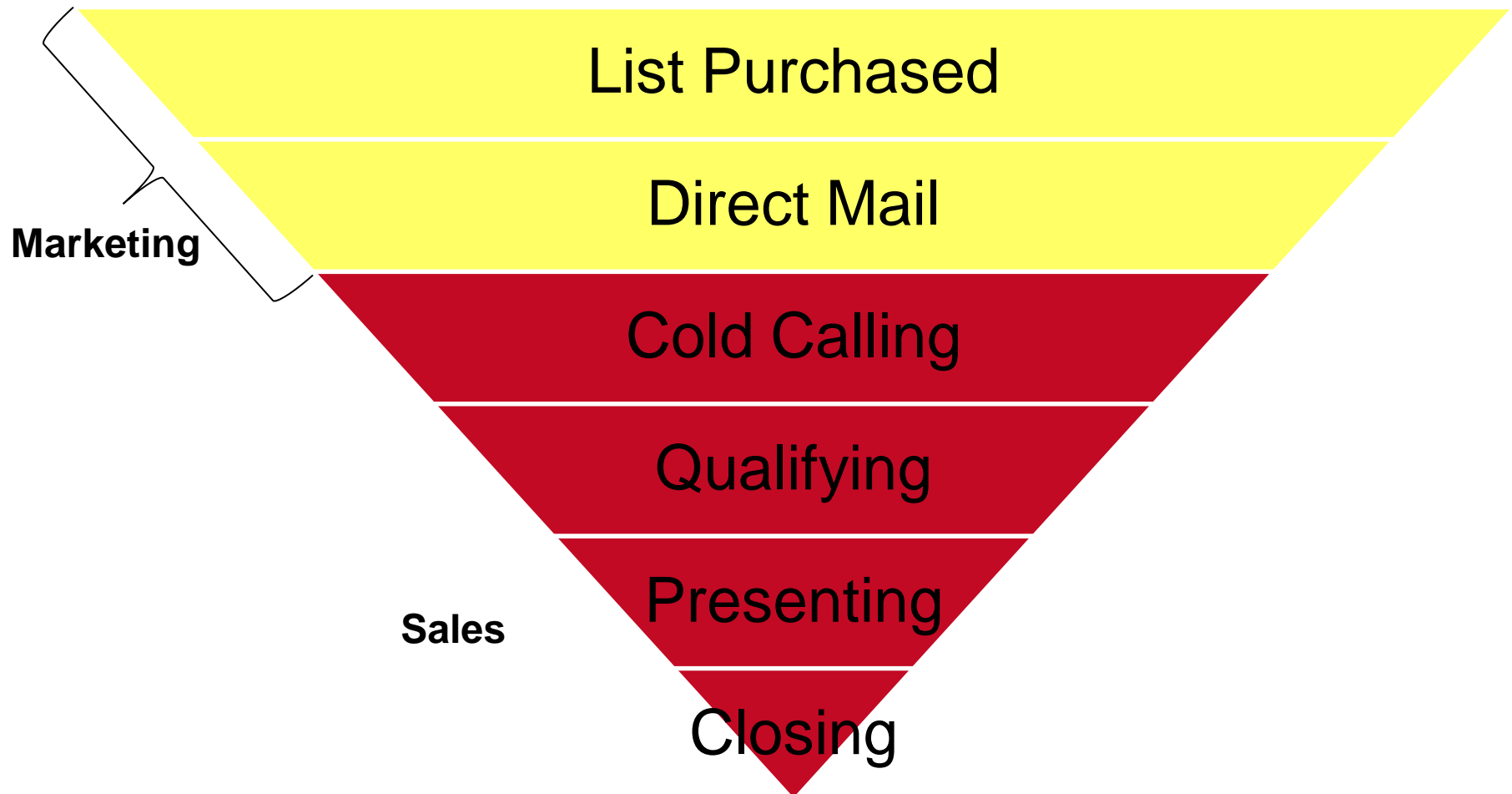
Top of mind with prospects in 'buying mode'

Accelerating in-bound lead generation

Consistent, sustained lead cultivation

Increasing sales efficiency and reducing cost/lead

# Neither Have Most Sales Models



# And Results Continue Declining

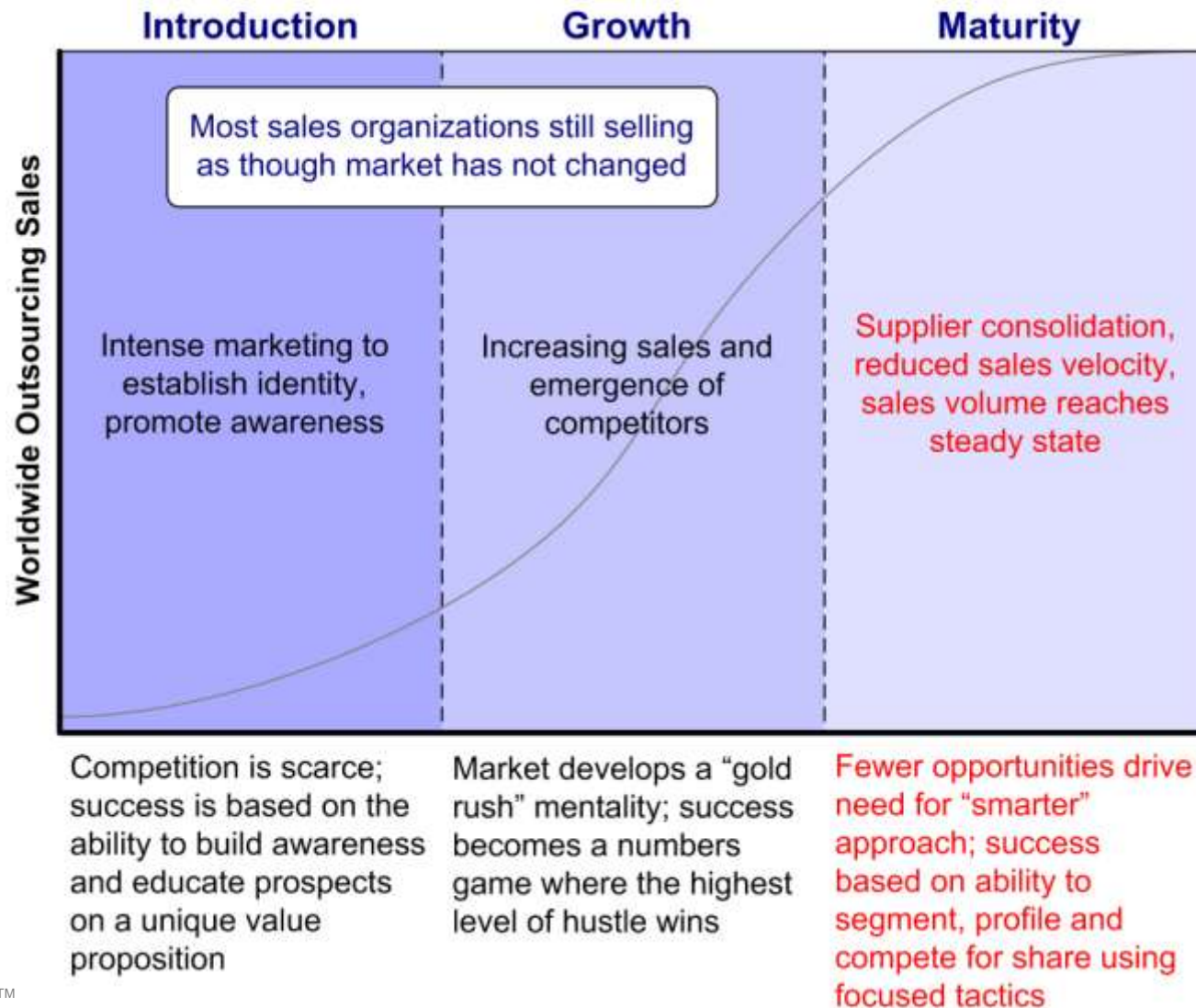
---

51.5%      Reps Making Quota in 2009  
78.5%      Overall Plan Attainment  
85.1%      Companies Raising Quotas in 2010

- 3,000+ Companies Participated Worldwide, Cross Industry Participation, SMB and Large Enterprises
- 100+ Sales & Marketing Metrics Tracked
- Best Practices Benchmarking on How Sales Teams are Leveraging People, Process, Technology and Knowledge to Address Challenges

***CSO Insights, 2009 Sales Optimization Study***

# New Market Realities Require Change



# Where To Start?



*The Answer May Be Hiding In Plain Site!*

# Strategic Market Planning Defined

---

## Formalizing and Documenting Company Vision

- Mission
- Goals
- Objectives

## Develop Strategic Plans based on:

- Company Vision
- Analysis of Markets and Opportunities
- Objectives and Strategies
- Functional Strategic Planning
- Tactical Action Plans to Implement Strategies

# Strategic Marketing Best Practices

---

- Develop the strategic plan first. The operational plans should be guided by a strategic plan – never the other way around.
- Put marketing as close as possible to the customer and make marketing and sales the responsibility of one person
- Organize around customer groups, not functions
- Make marketing audit a rigorous process. No vague terms. Use proven tools for capture, reporting and analysis.
- Focus SWOT on segments critical to the business. Concentrate only on factors leading to objectives.
- Plan your planning.
- Prioritize objectives in terms of urgency and impact.
- Enlist the entire organization, from CEO to receptionist.

# Barriers to Marketing Planning

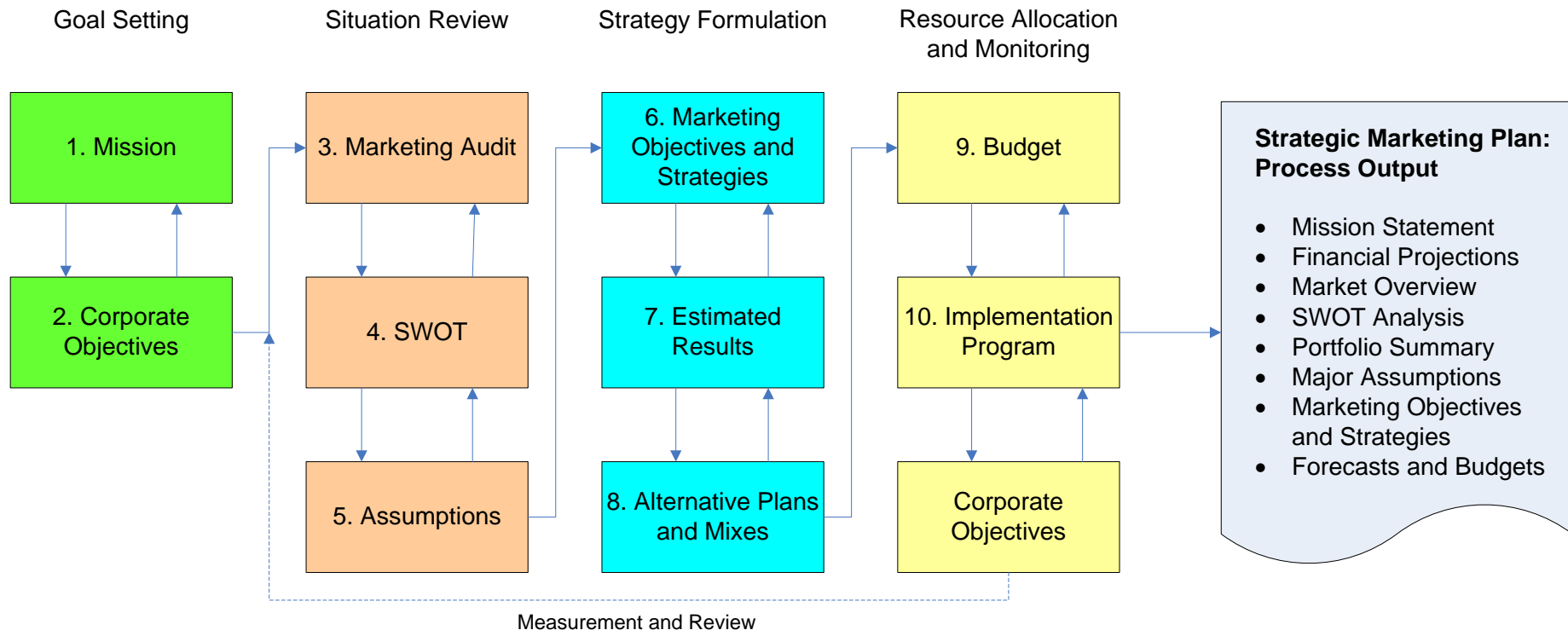
---

- Confusion between marketing tactics and strategy.
- Isolation of the marketing function from operations.
- Confusion between the marketing function and the marketing concept.
- Organizational barriers – too many layers or competing agendas.
- Lack of in-depth analysis.
- Confusion between process and output.
- Lack of knowledge or skills.
- Lack of a systematic approach to marketing planning.
- Failure to prioritize objectives.
- Hostile corporate cultures.

# Strategic Marketing Process

Marketing Planning Process

Copyright 3forward LLC



# Phase I: Goal Setting

---

**Mission**

**Goals**

**Objectives**

# Defining Company Mission

**Mission** – meaningful statement which influences the efforts of the organization:

- Role or contribution of the business (i.e. profit generator, service department, opportunity seeker)
- Definition of the business (i.e. needs we satisfy or benefits provided, not what we offer)
- Core competencies: the essential and unique skills, capabilities, resources that apply only to this entity
- Differentiation: the unique and valuable position the company is taking in the marketplace
- Indications for future direction: what we *will* consider, *might* consider, *will never* consider

# Task: Company Mission

<b>Needs We Satisfy</b>	<b>Core Competencies</b>	<b>Differentiators</b>	<b>Future Considerations</b>

# Defining Company Goals

---

**Goals** – destinations or where we want the business to be and feel, for example:

- Relationships
- Reputation
- Image
- Sustainability
- Culture

# Defining Company Objectives

---

**Objectives** – specific results we want the business to achieve, progress markers to attaining goals; for example:

- Revenue
- Profit
- Market share
- Recognition

# Task: Goals and Objectives

Goals	Objectives

# Phase II: Situation Review

---

Market Analysis (Audit)

Portfolio Analysis

Opportunities / Threats

Strengths / Weaknesses

Assumptions

Issues To Be Addressed

# Defining Market Analysis

---

**Market Analysis** – Process leading to creating marketing objectives and strategies for the company; taking into consideration:

- Trends and developments which may affect the company
- Where competitors add value
- **SWOT** analysis highlighting internal differential strengths and weaknesses relative to external opportunities and threats

# Example: Market Analysis

External Audit		Internal Audit
<i>Market</i>	<i>Economic</i>	<i>Company Operations</i>
Market size, characteristics	Economic trends	Sales (total, industry, client, etc.)
Developments, trends	Political, Legal factors	Market share
Products	Social / Cultural issues	Profit margins / costs
Prices	Technology impact	Portfolio performance
Customers		Marketing procedures
Industry practices	<i>Competition</i>	Marketing organization
	Major competitors	Marketing information / research
	Size, market share, coverage	Marketing mix variables
	Market standing, reputation	- Product management
	Marketing methods	- Price
	Diversification	- Distribution
	International model	- Promotion
	Key strengths and weaknesses	

# Defining: *Defining Markets*

---

**Market** – aggregation of all the products that appear to satisfy the same need for a given customer category; crucial for:

- Share measurement
- Growth measurement
- Specification of target customers
- Recognition of relevant competitors
- Formulation of marketing objectives and strategies

# Defining Customer Segmentation

**Segments** – natural groups containing customers exhibiting the same broad characteristics; segments should:

- Be of an adequate size to provide desired ROI
- Posses high degree of similarity, yet be distinct from the rest of the market
- Be definable by criteria relevant to the purchase situation
- Be reachable and responsive to a distinct marketing mix

*Purpose of segmentation is to provide a competitive advantage by providing greater value to customers*

# Task: Segmentation Part I

## Who and What:

- Who is buying? List characteristics of customers: Size, locations, target end-customer, growth rates, etc.
- What are they buying? Volume, price paid, frequency of purchase, etc.
- List all relevant competitive products and services purchased, unbundling all components to determine comprehensive list of what is bought. Include frequency of purchases and departments involved.
- Create a matrix identifying each *who* and all the unique *what* they buy.

# Task: What Are They Buying

Potential Customer Categories (Segments)	Category Needs	Available Products or Services

# Task: Competitor Analysis

Competitor	Products	Markets	Strategy	Strengths	Weaknesses

# Task: Segmentation Part II

---

## Why:

- List features of all products / services with what they mean to the customer (benefit).
- Classify each benefit as:
  - **Standard** – basic benefits arising from features
  - **Double** – benefits the customer and end-user
  - **Company** – relationship value
  - **Differential** – benefits compared with those of competitors

# Task: Feature / Benefit Analysis

Available Products or Services	Features	Benefits

# Task: Segmentation Part III

---

## **To determine realistic and achievable marketing and sales objectives:**

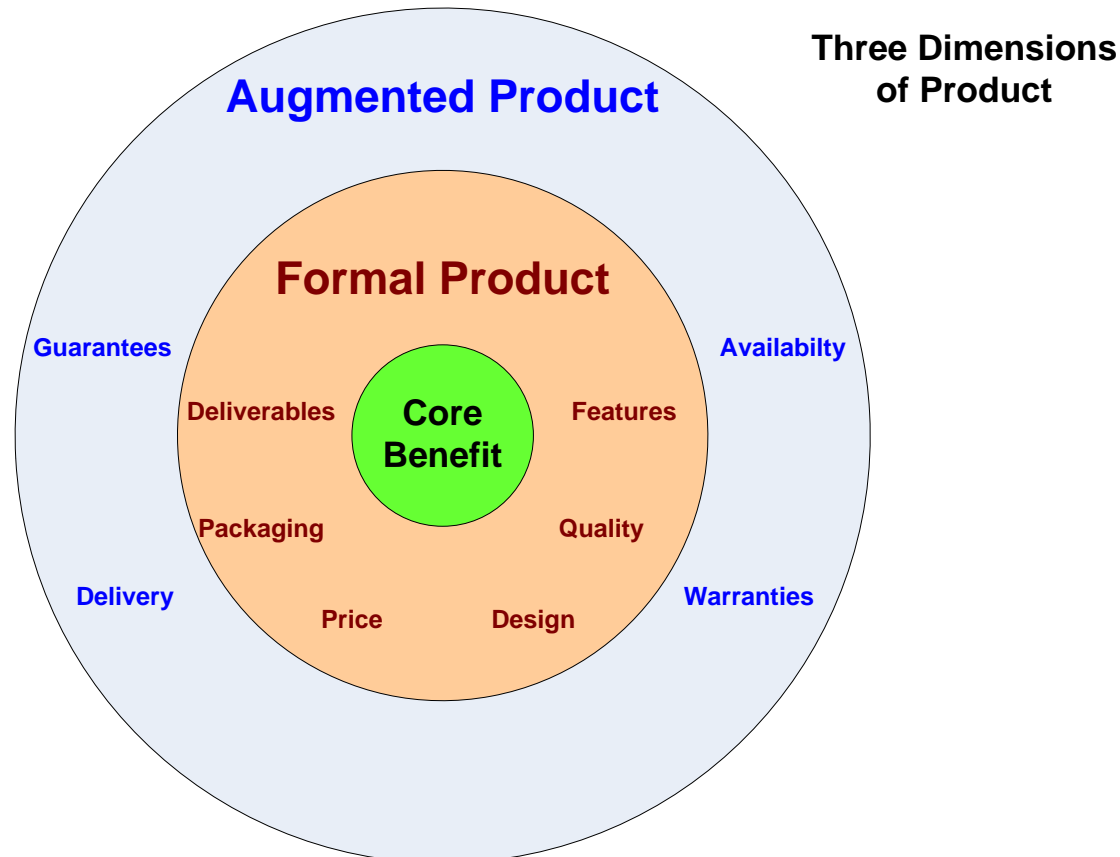
- Identify which segments share similar needs
- Apply the minimum volume and value criteria to determine viability for each segment

# Task: Category Segmentation

<b>Identified Segments (Based On Common Needs)</b>	<b>Segment Rev</b>	<b>Growth Rate</b>	<b>Trends</b>	<b>Key Characteristics</b>

# Defining Product

Means to providing customer benefits, *not physical products or services.*



# Task: Portfolio Analysis

Offering	Deliverables	Benefits	Customer Target

# SWOT



# Issues To Address

---

- Issue 1
- Issue 2
- Issue 3
- ...

# Assumptions

---

- Assumption 1
- Assumption 2
- Assumption 3
- ...

# Phase III: Strategy Formulation

---

Marketing Objectives

Marketing Strategies

Estimated Results

# Phase IV: Resource Allocation

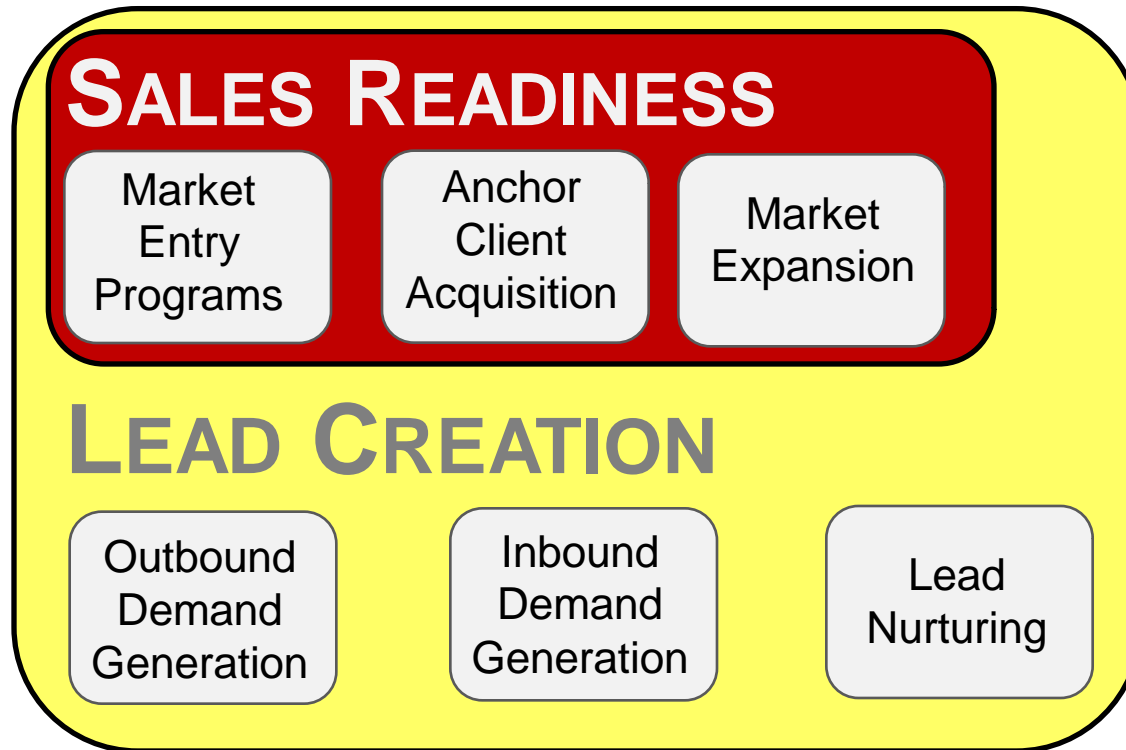
---

Forecasts and Budgets  
Evaluation and Measurement

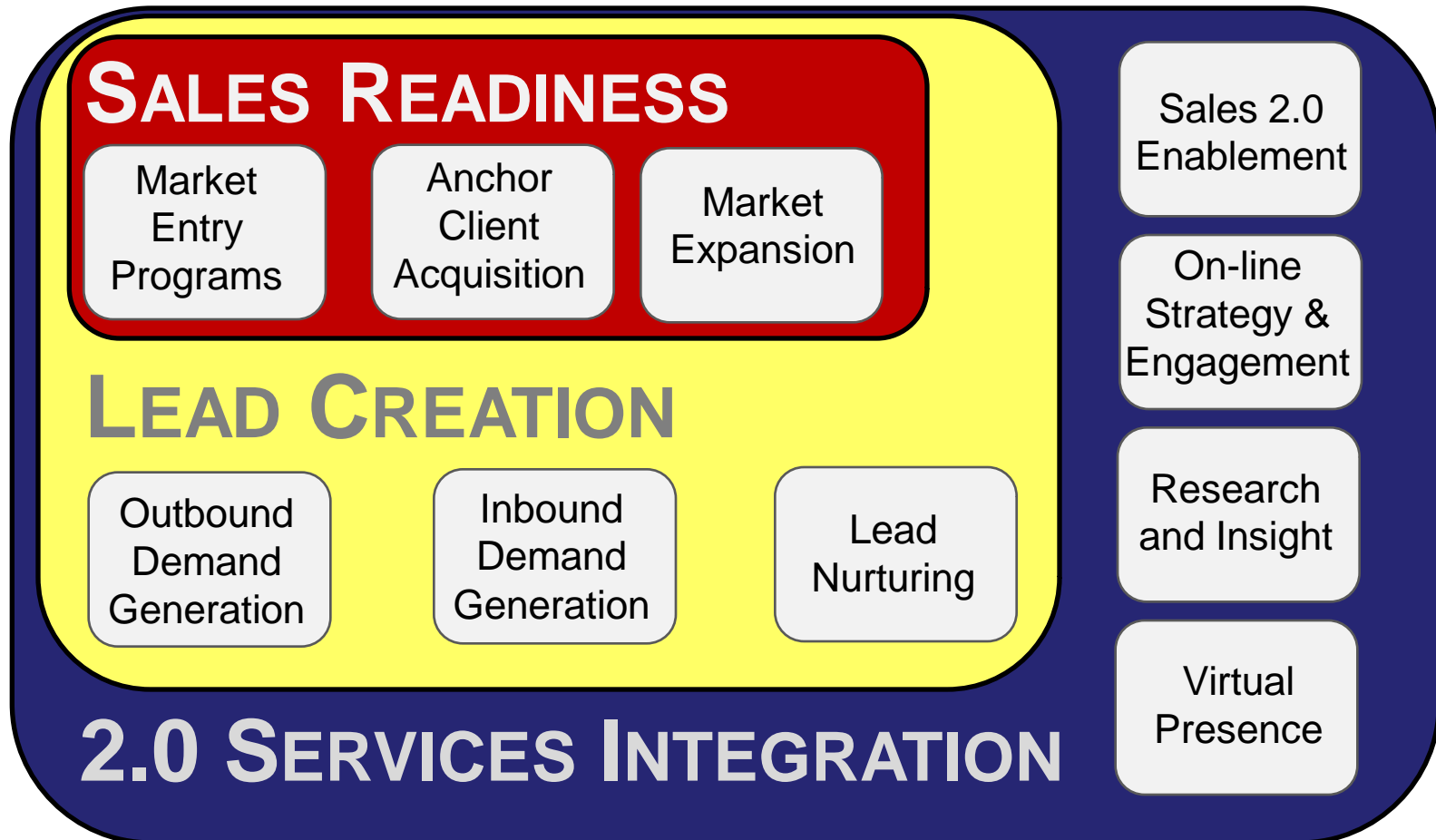
# Putting It All Together



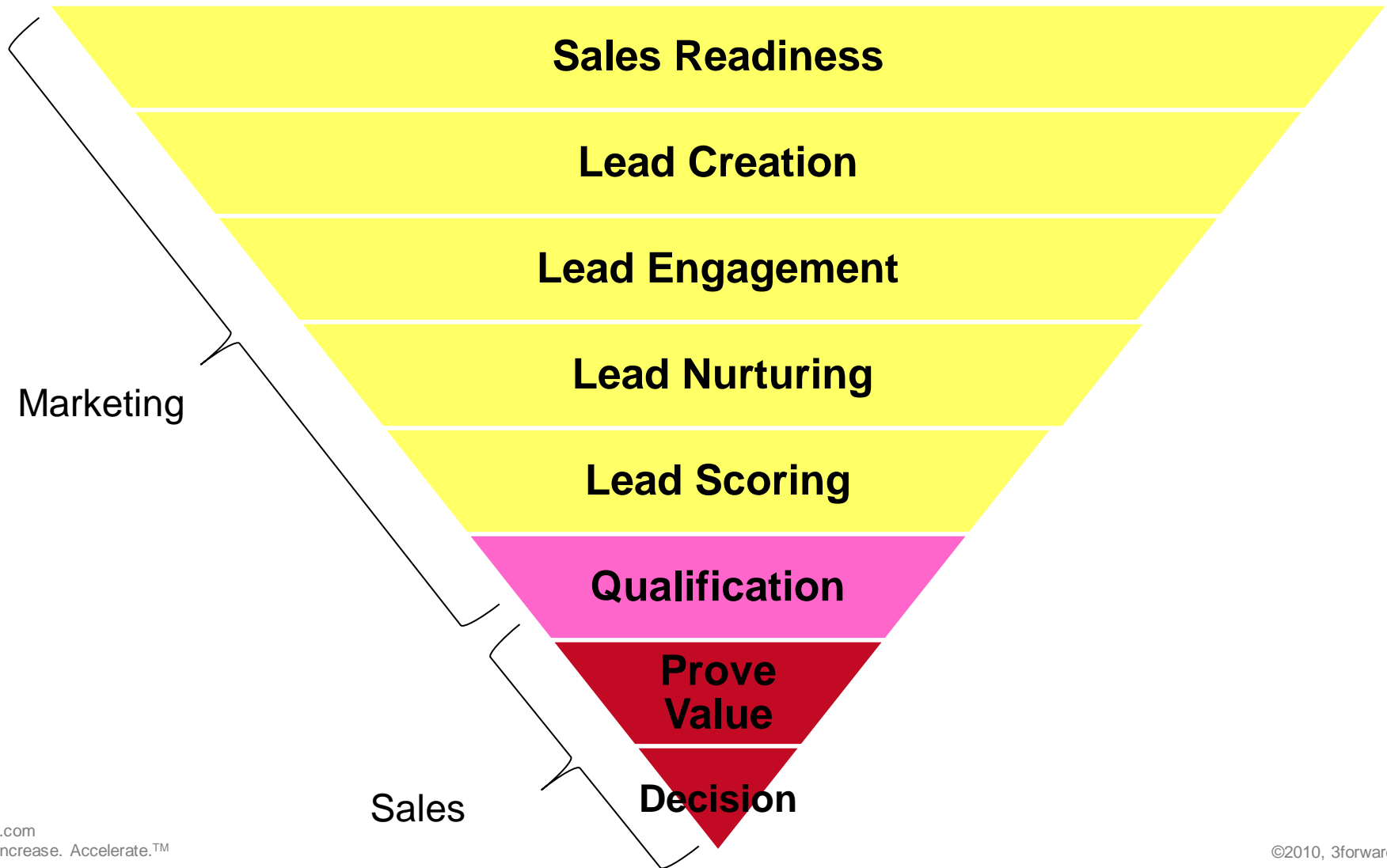
# 3forward's Sales Transformation Model



# 3forward's Sales Transformation Model



# Today's Selling Model



# Samples and Templates

---

Who Is Buying

Market Map

SWOT

Sweet Spot Matrix

Segment Characteristics Model

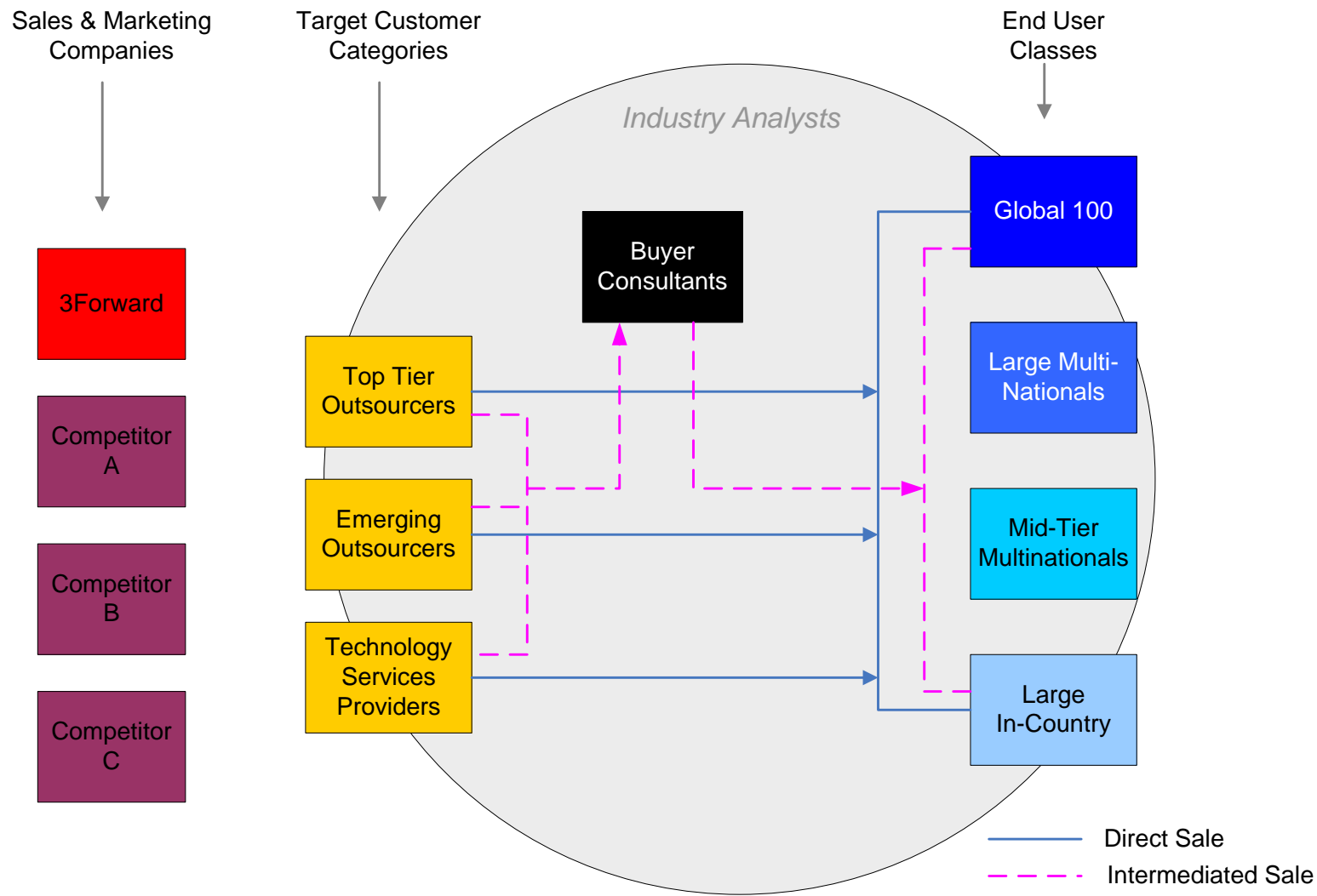
Content Planner

Decision Maker Planner

# Example: Who Is Buying

Who	Size (B)	Selling To	HQ	ITSM Maturity	ITSM Selling Competence
ATOS Origin	2	Large In-Country, Mid-Tier Multi-National	France	Maturing	Evolving
Wipro	8	Large Multi-National, Large In-Country, Mid-Tier Multi-National	India	Developing	Evolving
TCS	8	Large Multi-National, Large In-Country, Mid-Tier Multi-National	India	Developing	Evolving
Infosys	8	Large Multi-National, Large In-Country, Mid-Tier Multi-National	India	Developing	Evolving
HCL	5	Large In-Country, Mid-Tier Multi-National	India	Developing	Evolving
Satyam	6	Large In-Country, Mid-Tier Multi-National	India	Developing	Evolving
Patni	3	Large In-Country, Mid-Tier Multi-National	India	Developing	Evolving
Cap Gemini	10	Large Multi-National, Large In-Country	France	Very	Strong
Perot Systems	3	Large Multi-National, Large In-Country	US	Maturing	Strong
Unisys	6	Large Multi-National, Large In-Country	US	Very	Strong
CSC	16	Global 100, Large Multi-National, Large In-Country	US	Very	Strong
IBM	200	Global 100, Large Multi-National, Large In-Country	US	Very	Best In Class
HP	70	Global 100, Large Multi-National, Large In-Country	US	Very	Best In Class
Accenture	50	Global 100, Large Multi-National, Large In-Country	US	Very	Best In Class
EDS	20	Global 100, Large Multi-National, Large In-Country	US	Very	Best In Class

# Example: Market Map



# SWOT

<p style="text-align: center;"><b>Strengths</b></p> <ul style="list-style-type: none"><li>• History w/ similar projects / references</li><li>• Team w/ this background</li><li>• Near shore model well received – trend is to reduce reliance on India</li><li>• Cultivate relationships well – once initiated</li><li>• Established partner benches</li><li>• Mobility solutions practice</li><li>• US based / US presence</li><li>• Multi-Lingual / Spanish</li><li>• High volume transaction processing</li></ul>	<p style="text-align: center;"><b>Weaknesses</b></p> <ul style="list-style-type: none"><li>• May not have all skill sets / certs for diverse projects</li><li>• Not always price competitive – lower than US, more than India</li><li>• Scalability to project demands</li><li>• Sales process / opportunity management through-put</li><li>• Lack of domain expertise in active industries, i.e. medical, BFSI</li><li>• Government – any level or type</li></ul>
<p style="text-align: center;"><b>Opportunities</b></p> <ul style="list-style-type: none"><li>• Economy recovering / but hiring lagging</li><li>• Partnering / growing indirect channel</li><li>• High demand for mobility</li><li>• Existing relationships show high degree of loyalty</li><li>• Vertically specific indirect channels – (i.e. augmenting the healthcare technology solution companies, BPOs)</li></ul>	<p style="text-align: center;"><b>Threats</b></p> <ul style="list-style-type: none"><li>• Lots of competition</li><li>• Heavy commoditization</li><li>• Difficulty differentiating</li><li>• Internal hiring if economy comes back fast / strong</li><li>• Govt.policy opposing off-shoring</li></ul>

# Sweet Spot Matrix

Category	Strong Fit	Neutral	Weak Fit
<b>Annual Revenues</b>	\$10m to \$50m	\$5m to \$10m or greater than \$50	Less than \$5m
<b>Geography</b>	US based	North America	Outside North America
<b>Support Model</b>	Shared Desk	Dedicated Desk	After Hours / Overflow
<b>Providing</b>	Proprietary or technology product or service	Order Fulfillment	Order Fulfillment
<b>Growth Stage</b>	Stage 2	Mature	Start up
<b>Top Objective</b>	Quality of Service, Growth Enablement	QoS, Cost, Growth	Cost containment
<b>Group Supported</b>	End Customers	End Customers	Internal Users
<b>Services Needed</b>	Tier 1 & 2 Tech Support	Tier1 & 2 General	Complex, Level 3





# Segment Characteristics Model

Customer Segment	Faith Based	Not For Profit Academic	Children	For Profit Systems	Stand Alones
<b>Segment Attributes</b>					
Specialty / Focus					
Organizational Objectives					
Financial Objectives					
Revenue Cycle Maturity					
Outsourcing Maturity					
Functions Outsourced					
<b>Client Perspective</b>					
Target Ranking					
Services They Will Favor					
Tangible Value They Will Expect					
Intangible Value They Will Expect					
Type of Initial Sale We Will Accept					
Strongest Service Line Point of Entry					
<b>Sales and Marketing Keys</b>					
Top Issues					
Key Events					
Favored Publications					
Favored Web Sites					
Associations					
Targeted POC					
Executive Decision Maker					
Segment Influencers					
		<b>Named Examples</b>		<b>Named Examples</b>	





# Resources

	<a href="#"><u>Sales Readiness</u></a>
	<a href="#"><u>3forward Become a Fan</u></a>
	<a href="#"><u>3forward</u></a> <a href="#"><u>Dan_3forward</u></a> <a href="#"><u>Mattat3forward</u></a>
	<a href="#"><u>Sales Leaders Blog</u></a>
<p>Sales Leader Resources</p>	<a href="#"><u>New Tools Directory</u></a>

# Resources

## New Model Sales, Marketing and Social Media Experts

- [McDonald, Keegan](#) Marketing Plans That Work
- [Seley and Holloway](#) Sales 2.0
- [Ardath Albee](#) Marketing and Content
- [Chris Brogan](#) B2B Social Media
- [Brian Solis](#) Social Media
- [David Meerman Scott](#) Marketing and PR
- [Gerhard Gschwandtner](#) Sales 2.0

## Sales Benchmarking

- [CSO Insights](#)
- [Sales Benchmark Index](#)

## New Tools Directory

- [9 categories of sales and marketing best practices and dozens of downloads](#)